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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/733,138	12/08/2000	Rajan Mathew Lukose	1508/3150 (A0856)	2121

7590 03/24/2004

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EXAMINER

FELTEN, DANIEL S

ART UNIT	PAPER NUMBER
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3624

DATE MAILED: 03/24/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

09/733,138

Applicant(s)

LUKOSE, RAJAN MATHEW

Examiner

Daniel S Felten

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☐ Responsive to communication(s) filed on 22 January 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☐ Claim(s) 1-30 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☐ Claim(s) 1-30 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f):
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- ☒ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_.
- ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date \_\_\_\_\_.
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: \_\_\_\_\_.

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### DETAILED ACTION

1. Receipt of the Request for Continued Examination ("RCE") filed January 22, 2004 and the amendment After Final amending claims 1, 11 and 21 are acknowledged. Claims 1-30 are pending in the application and are presented to be examined upon their merits.

### ***Claim Rejections - 35 USC § 101***

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

The claimed invention is directed to non-statutory subject matter. The presented claims present abstract ideas that lack technical basis [see Ex Parte Bowman, 61 USPQ2d 1665, 1671 (unpub)]\*. It is incumbent upon the applicant to present the use of technology within the body of the claims that shows the use of technology with the claim(s). For example "providing information in response to the offer..." can be rewritten as "providing information by the computer in response to the offer..." Merely reciting technology within the preamble is insufficient to overcome this rejection. The applicant must cite relevant technology within the limitations that preside within the body of the claim.

\*Although Ex Parte Bowman is not precedential, it is cited for its analysis for what is considered to be within the technical arts.

***Claim Rejections - 35 USC § 112***

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 1-30 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

**Re claims 1, 7, 11 and 21:**

The word "if" in the context of the claim(s) connotes a conditional statement that has both positive and negative alternatives. Although applicant has presented the condition of "receiving a first payment for the information if the at least one condition for the contingency is satisfied..." The applicant has not presented the alternate condition and thus one would not be able to gather from the claim what happens if the condition for the contingency is NOT satisfied.

Also what are the parameters for which a condition is considered "unsatisfied" in the context of the claims? For purposes of this Office Action "unsatisfied" will be taken to mean any alteration (modification) from originally stipulated (or expressed) condition.

**Re claims 11-20:**

The word "system" in the claim(s) has meanings that can be taken from both statutory classes. Thus it is incumbent upon the applicant to state and/or choose which on the statutory class the applicant considers the aforementioned claims. However, for

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purposes of this Office Action, the Examiner has taken the liberty to consider the claims as apparatus claims.

**Re claim 5, 15 and 25:**

The aforementioned claims recites the phrase, "...the amount of the first payment is maximized when the announced probability for the condition occurring is *substantially the same* as a true probability for the condition occurring." The word, "*substantially*" has within its meaning something being largely but not wholly what is specified. What is the difference between the "announced" probability and the "true" probability in its function within the claim(s)?

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***Claim Rejections - 35 USC § 103***

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 1, 2, 6-12, 16-22 and 26-30 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al (US 5,794,207) in view of Johnson (US 6,529,885).

**Re claim 1:**

Walker discloses a method for selling a good or service to a buyer (see Walker

Abstract):

receiving an offer (Conditional Purchase Offer--CPO) for the good or service including at least one criterion from the buyer (see Walker, col. 16, lines 29-45);

providing the good or service in response to the offer (see Walker, col.13, 11-22; and lines 39-49; and col. 22, lines 1-37), *the good or service includes at least one condition about the at least one CPO* (see Walker, col. 16, lines 29-45), *wherein the at least one condition is unsatisfied (altered or modified or edited) when the good or service is provided* (see Walker, col. 16, lines 28-30; and col. 22, lines 40+); and

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receiving a first payment for the good or service if the at least one condition for the CPO is satisfied after the good or service has been provided to the buyer (see Walker, col. 16, lines 3-45; and col. 22, lines 1-37).

The aforementioned features above are provided within the Walker. However, Walker fails to disclose that the CPO transactions are based upon a contingency. Johnson discloses carrying out electronic transactions, including electronic drafts wherein payment is based upon a number of contingencies (see Johnson, Abstract, col. 16, line 59 to col. 17, line 35; and col. 18, line 20, to col. 19, line 8). It would have been obvious for an artisan of ordinary skill in the art at the time of the invention to substantially modify and/or substitute the CPO in Walker with the transaction features of the iTX, iDRAFTTM and iDRAFT-C<sup>TM</sup> found in Johnson, because an artisan at the time of Walker's invention would have recognized the competitive nature of effectuating bilateral buyer-driven commerce and would have availed themselves of the latest technology infrastructure to address the complexities of multi buyer/seller transactions that, conventionally, are based upon various contingencies on the part of the buyer and/or seller as well as various time restrictions on the acceptance and performance of the transaction. Thus such a modification would have been an obvious expedient well within the ordinary skill the art.

Walker fails to disclose selling information. However, since information is considered a **good** and providing information may be considered a **service**, an artisan at the time of Walker would have been motivated to buy and sell information via the

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Walker invention, being a commodity within the scope of bilateral buyer-driven commerce.

**Re claim 2:**

Walker in view of Johnson discloses receiving a base payment when the good or service has been provided to the buyer (see Walker, col. 22, lines 1-37).

**Re claim 6:**

Walker discloses setting the condition for the CPO in the received offer (see Walker, col. 16, lines 29-45 and read explanation for claim 1).

**Re claim 7:**

Walker discloses sending a counteroffer 140 to the buyer based on the offer, the counteroffer providing the condition set for the CPO to the buyer (see Walker col. 8, lines 5-8; col. 9, lines 45-50; and col. 13, lines 30-34; and col. 22, lines 40+; and explanation of claim 1); and

determining if the counteroffer with the condition set for the CPO is accepted by the buyer, wherein the information is only provided if the condition set for the CPO is accepted (see Walker, col. 8, lines 5-8; and col. 9, lines 45-50; and explanation of claim 1).

**Re claim 8**



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Walker fails to disclose determining if an event has occurred on which the condition for the contingency is based. This feature is disclosed by Johnson (see Johnson, col. 18, lines 20+). It would have been obvious for an artisan at the time of the invention to employ the aforementioned feature of Johnson into Walker because an artisan at the time of the invention of Walker would have recognized the ability for a buyer to construct a CPO such that the Walker detects conditions that match the future conditions stipulated by the buyer's requirements, as illustrated within the Johnson reference (see Johnson, col. 18, lines 31+). Thus to provide the aforementioned feature of Johnson into Walker would have been an obvious expedient well within the ordinary skill in the art.

**Re claim 9:**

Walker fails to disclose determining if the condition for the contingency has been satisfied by the event, however this is disclosed by Johnson (see Johnson, col. 18, lines 20+). It would have been obvious for an artisan at the time of the invention to employ the aforementioned feature of Johnson into Walker because an artisan at the time of the invention of Walker would have recognized the ability to customize the CPO of Walker such that the CPO may be satisfied (or binding) based upon compliance of matching future conditions, as illustrated within the Johnson reference (see Johnson, col. 18, lines 31+). Thus to provide the aforementioned feature of Johnson into Walker would have been an obvious expedient well within the ordinary skill in the art.

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**Re claim 10:**

Walker discloses wherein one or more of the steps are carried out electronically (see Walker col. 12, lines 8+).

**Re claim 11:**

a receiving system that receives an offer for the information including at least one contingency from the buyer;

a source for the good or service that provides the information in response to the offer, *the information includes at least one condition about the at least one contingency, wherein the at least one condition is unsatisfied when the information is provided;* and a contingent payment processing system that receives a first payment for the information if the at least one condition for the contingency is satisfied after the information has been provided to the buyer (see explanation given for claim 1).

**Re claim 12:**

further comprising a base payment processing system that receives a base payment when the information has been provided (see explanation given for claim 2).

**Re claim 16:**

further comprising a condition setting system which sets the condition for the contingency in the received offer (see explanation to given to claim 6).

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**Re claim 17:**

a counteroffer system that sends a counteroffer to the buyer based on the offer, the counteroffer provides the condition set for the contingency to the buyer; and purchase decision system that determines if the counteroffer with the condition set for the contingency is accepted by the buyer, wherein the information is only provided if the condition set for the contingency is accepted (see explanation to given to claim 7).

**Re claim 18:**

further comprising an event determining system that determines if an event has occurred on which the condition for the contingency is based (see explanation to given to claim 8).

**Re claim 19:**

further comprising a condition determining system that determines if the condition for the contingency has been satisfied by the event (see explanation to given to claim 9).

**Re claim 20:**

wherein the receiving system receives the offer and the source of the information provides the information electronically (see explanation to given to claim 10).

**Re claim 21:**

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A computer readable medium having stored instructions for selling contingent information which when executed by a processor, causes the processor to perform: receiving an offer for the information including at least one contingency from the buyer; providing the information in response to the offer, *the information includes at least one condition about the at least one contingency, wherein the at least one condition is unsatisfied when the information is provided*; and

receiving a first payment for the information if at least one condition for the contingency is satisfied after the information has been provided to the buyer (see explanation to given to claim 1).

**Re claim 22:**

further comprising receiving a base payment when the information has been provided to the buyer (see explanation to given to claim 2).

**Re claim 26:**

further comprising setting the condition for the contingency in the received offer (see explanation to given to claim 6).

**Re claim 27:**

sending a counteroffer to the buyer based on the offer, the counteroffer providing the condition set for the contingency to the buyer; and

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determining if the counteroffer with the condition set for the contingency is accepted by the buyer, wherein the information is only provided if the condition set for the contingency is accepted (see explanation to given to claim 7).

**Re claim 28:**

further comprising determining if an event has occurred on which the condition for the contingency is based (see explanation to given to claim 8).

**Re claim 29:**

further comprising determining if the condition for the contingency has been satisfied by the event (see explanation to given to claim 9).

**Re claim 30:**

wherein one or more of the steps are carried out electronically (see explanation to given to claim 10).

7. Claims 3-5, 13-15 and 23-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al (US 5,794,207) as modified by Johnson (US 6,529,885) as applied to claim 1 as discussed above, and in further view of Lundgren (US 5,608,620). The teachings of Walker as modified by Johnson have been discussed above.

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**Re claim 3:**

Although Walker as modified by Johnson discloses adjusting an amount for the first payment based upon a conditional satisfaction of a contingency (see Johnson, col. 18, lines 20-55), Walker as modified by Johnson fails to disclose adjusting an amount for the first payment based on a *probability* that the condition for the contingency will occur. Lundgren discloses adjusting an amount for the first payment based on a *probability* that the condition for the contingency will occur (see Lundgren, col. 21, line 58 to col. 23, line 15; and col. 23, lines 45-55). In view of the teachings of Lundgren, it would have been obvious for an artisan of ordinary skill at the time of the invention to employ the teachings of Lundgren to the teachings of Walker as modified by Johnson because an artisan at the time of the invention would seek to compensate sellers to the degree of which buyer satisfaction is obtained. Thus an artisan at the time of the invention of Walker as modified by Johnson would have motivated to employ the teachings of Lundgren for protection against being over charged for goods and services as well as providing a sense of fairness to all parties involve in the transaction. Thus such a feature would have been an obvious expedient to one of ordinary skill in the art.

**Re claim 4:**

Walker as modified by Johnson discloses selecting the condition for the contingency; and determining the amount for the first payment based on a function which uses the condition for the contingency occurring, fails to disclose selecting an *announced*

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*probability* for the condition for the contingency; and determining the amount for the first payment based on a function which uses the *announced probability* for the condition for the contingency occurring. This is disclosed by Lundgren (see Lundgren, col. 21, line 58 to col. 23, line 15; and col. 23, lines 45-55). It would have been obvious for an artisan of ordinary skill at the time of the invention to employ the teachings of Lundgren to the teachings of Walker as modified by Johnson because an artisan at the time of the invention would seek to pay sellers based upon the amount or degree to the which the conditions and contingencies within the transaction are satisfied. Thus an artisan at the time of the invention of Walker as modified by Johnson would have motivated to employ the teachings of Lundgren so as not to over pay for goods and services as well as providing the buyer a sense of protection involved in process of completing the transaction. Thus such a feature would have been an obvious expedient to one of ordinary skill in the art.

**Re claim 5.**

Walker as modified by Johnson discloses wherein the amount of the first payment is maximized when the condition occurs but fails to disclose the amount of the first payment is maximized when the *announced probability* for the condition occurring is substantially the same as a *true probability* for the condition occurring. This is disclosed by Lundgren (see Lundgren, col. 24, lines 3-54). It would have been obvious for an artisan of ordinary skill at the time of the invention to employ the teachings of Lundgren to the teachings of Walker as modified by Johnson because an artisan at the time of the

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invention would seek to pay sellers based upon the amount or degree to the which the conditions and contingencies within the transaction are satisfied. Thus an artisan at the time of the invention of Walker as modified by Johnson would have motivated to employ the teachings of Lundgren for protection against over paying for goods and services as well as providing the seller a sense of accomplishment involved in process of completing the transaction. Thus such a feature would have been an obvious expedient to one of ordinary skill in the art.

**Re claim 13:**

wherein the contingent payment processing system adjusts an amount for the first payment based on a probability that the condition for contingency occurs (see explanation given for claim 3).

**Re claim 14:**

the first payment processing system selects an announced probability for the condition for the contingency and a function for determining the amount for the first payment based on the announced probability for the condition for the contingency occurring (see explanation to given to claim 4).

**Re claim 15:**

wherein the first payment processing system maximizes the amount of the contingent payment when the announced probability for the condition occurring is substantially the



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same as a true probability for the condition occurring (see explanation to given to claim 5).

**Re claim 23:**

further comprising adjusting an amount for the first payment based on an announced probability that the condition for the contingency will occur (see explanation to given to claim 3).

**Re claim 24:**

selecting the announced probability for the condition for the contingency; and  
determining the amount for the first payment based on a function which uses the announced probability for the condition for the contingency occurring (see explanation to given to claim 4).

**Re claim 25:**

wherein the amount of the first payment is maximized when the announced probability for the condition occurring is substantially the same as a true probability for the condition occurring (see explanation to given to claim 5).

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***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Daniel S Felten whose telephone number is (703) 305-0724. The examiner can normally be reached on Flex.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on (703) 308-1065. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



DSF  
March 1, 2004

Daniel S Felten  
Examiner  
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